

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CAPITOL RECORDS, INC., et al.,

Plaintiffs,

v.

MULTIPLY, INC. and PETER PEZARIS,

Defendants.

No. 07 Civ. 11357 (SHS)(MHD)

DECLARATION OF PETER PEZARIS

PETER PEZARIS hereby declares as follows pursuant to 28 U.S.C. § 1746:

1.I am the founder and Chief Executive Officer of Multiply, Inc. ("Multiply").

Multiply is a corporation organized under the laws of the State of Delaware with its headquarters located at 6001 Park of Commerce Blvd., Suite 300, Boca Raton, Florida 33487.

2.Multiply owns and operates a social networking website on the Internet located at <http://multiply.com>. Multiply was formed in November 2003 and launched its site in early 2004. Multiply currently has 23 employees, all but five of whom currently work in the Boca Raton office. Of those employees not based in Florida, two are in New York, and we have one employee in each of San Francisco, New Jersey and Lithuania. The business of Multiply is overseen by a board of directors that meets regularly in the company's headquarters in Boca Raton.

3.Multiply's computer servers, which run the entire website, are located in Parsippany, New Jersey.

4. Multiply currently has approximately 8 million registered users. Most of the site's registered users – around 87% – are located outside the United States. With regard to those in the United States, it is not possible to know for certain where all reside, as email/IP addresses do not always reveal the location of the user's computer. Multiply does request that users indicate a residence when signing up for the service, and approximately 125,000 (*i.e.* 1.6%) of the 8 million registered users have identified New York as their residence.

5. I reside in Del Ray Beach in Palm Beach County, Florida and work out of the Boca Raton office.

6. I pay taxes in Florida and have a Florida driver's license.

7. I do not own or rent any real or personal property in the State of New York.

8. I do not have any bank accounts in New York.

9. I do not have a post office box or mailing address in New York.

10. The Summons and Complaint in this action were delivered to me on or about December 21, 2007 at Multiply's offices in Boca Raton, Florida. The Amended Complaint was transmitted by email pursuant to agreement between the parties to Kenneth Steinthal of the firm of Weil Gotshal, at his offices in Palo Alto, California, on February 14, 2008, who was then counsel of record for Multiply.

11. Over the last few years, I have traveled to New York on several occasions to conduct certain Multiply business, including meeting with a prospective buyer, or with a Philippines-based media company partner which does not have an office in New York, but was there to meet with several companies, Multiply included. I also traveled to New York in January of 2008 at the request of Capital and EMI to meet with its representatives in an effort

to provide more information about Multiply in the hopes of resolving this dispute. On my trips to New York, I generally find time to meet with Multiply's employees who work in Multiply's New York office. With the exception of the settlement meeting described above in January, none of my trips to New York have been for the purpose of discussing or taking any action related in any way to the music functionality of the Multiply site, or any of the matters alleged in the Amended Complaint.

12.I own 26.842% of Multiply's outstanding stock, calculated on a fully diluted basis, and sit on the company's Board of Directors ("Board"), which currently has five members.

13.Day-to-day decisions about website design features, in general, are made collectively by Multiply's four-member senior management team, of which I am one.

14.Over the past five years, I have spent, on average, less than a week in New York per year.

15.Under the circumstances, I respectfully submit that it would be unfair, inconvenient and unduly expensive for me to have to travel to New York to defend at trial against the allegations against me personally in this action.

I declare under penalty of perjury under the laws of the United States of America this 28th day of March, 2008, in the city of Boca Raton in the County of Palm Beach, Florida, that the foregoing is true and correct.

By: 
PETER PEZARIS